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TAGS: [KN](#) [KS](#) [PGOV](#) [PREL](#) [PINR](#)  
SUBJECT: LEE MYUNG-BAK WINS IN A LANDSLIDE

Classified By: Amb. Alexander Vershbow. Reasons 1.4 (b,d).

11. (C) Summary: On December 19 former Seoul Mayor and Grand National Party (GNP) candidate Lee Myung-bak handily won South Korea's presidential election, ending 10 years of liberal government in South Korea. Thanks to his landslide victory, Lee Myung-bak now has a mandate from the public, which expects him to enact his ambitious election promises to revitalize the economy. However with the BBK-related scandal unresolved and a National Assembly stacked against him until the end of May, Lee could find his honeymoon anything but sweet. Lee's victory was anticlimactic; most expected the long-time frontrunner would win and this led to record-low turnout at the polls. End Summary.

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Election Results  
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12. (U) Based on exit polls and early vote counts, conservative GNP candidate Lee Myung-bak will win with around 50 percent of the overall vote, a record high. Progressive United New Democratic Party (UNDP) candidate Chung Dong-young (about 25 percent) managed to overtake independent conservative Lee Hoi-chang (about 13 percent) who held second place in the polls for the month of November, giving President-elect Lee an enormous margin of victory. In the last few days, Chung, who failed in several attempts to merge with other progressive candidates, tried to forge an anti-Lee Myung-bak alliance -- he claimed he would even accept ultra-conservative Lee Hoi-chang into his camp -- to foil the frontrunner's bid. Efforts to merge failed yet again, however, eliminating the faint hope that these "Hail Mary" plays would tip the balance.

13. (C) Voter turnout for this year's election was about 60 percent, a historic low for open presidential elections in Korea, down from 70.8 percent in 2002. Pollsters had predicted lower than normal numbers at the polls for this year's election given the lack of focus on issues and the public's general frustration with and disinterest in the candidates and the race in general. Also, many saw a Lee Myung-bak victory as inevitable and instead took advantage of the national holiday to rest rather than go to the polls.

14. (U) Lee's success was nationwide, with the exception of Jeolla Provinces. Lee won Seoul, a first for a conservative

candidate, and the whole Han River belt -- North and South Chungcheong Provinces, Gyeonggi Province, Seoul and Incheon. Lee fell just short of 10 percent in the southwestern region of Jeolla, but still recorded the highest total ever in that liberal stronghold.

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How?  
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15. (C) Lee's victory was no surprise; he had maintained a commanding lead in polls for over a year preceding the race, despite allegations of his involvement in the BBK fraud scandal that could plague him well into 2008. The prosecutors' December 5 decision to clear Lee on charges related to the BBK case gave Lee a final boost that made his victory in the race all but certain. Even the last-minute revelation of a video linking Lee to BBK could not unseat him, and, in fact, it probably helped rally many of his supporters who saw the continued controversy as mere political maneuvering.

16. (C) The South Korean people demonstrated a persistent willingness to tolerate Lee's scandal-ridden past largely because he represented a clear change from President Roh and because of his perceived ability to tackle economic problems -- by far the most salient campaign issue -- and his "can-do" attitude. Voters also put a high degree of importance on Lee's success as a businessman and as Seoul Mayor. Unlike the other candidates, Lee was able to articulate a clearly digestible economic plan with a "bumper sticker" slogan. Demonstrating just how out of touch the progressives are with the political Zeitgeist of 2007, Chung Dong-young insisted in the December 16 debate that the economy was in good shape.

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What does it mean?  
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17. (C) Lee Myung-bak has been voted into power by an electorate that clearly wants conservative leadership after a decade of liberal rule -- the combination of Lee Myung-bak's and conservative rival Lee Hoi-chang's votes totals about 65 percent. South Koreans will look to Lee to quickly implement his "7-4-7" policy, which promises to achieve 7 percent economic growth, USD 40,000 per capita income, and to make Korea the world's seventh largest economy. Lee's reputation for getting things done and his conservative credentials also stand in stark contrast with the current president, with whom voters are fed up. Pundits and polls alike express people's overwhelming desire for change.

18. (C) On balance, Lee's election is good for U.S.-ROK relations. Lee, his advisers have told us, sees Korea's relationship with the United States as the linchpin of Korea's foreign policy. He supports extending the troop deployment in Iraq, ratification of the KORUS FTA, and ensuring benefits extended to North Korea are carefully predicated on Pyongyang's denuclearization progress. While Lee is a populist, which makes his commitment to certain policies fungible, some contacts have pointed to his willingness as Seoul Mayor to push through policies he believed in despite significant opposition. Every indication is that he believes in a strong relationship with the United States.

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Comment  
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19. (C) Despite his landslide victory, President-elect Lee Myung-bak faces some serious political challenges during his transition and in the early days of his presidency. Continued investigation into the BBK scandal and the need to get his ministers appointed by a liberal-dominated National Assembly will occupy Lee and his team until the end of February. Even after inauguration, Lee will be expected to

start implementing some of his campaign promises in order to build support for the GNP before the April National Assembly elections. To do so he must stave off internal conflict and keep powerful party leader Park Geun-hye and her supporters on his side. If Lee can just survive the four months following his election and secure a respectable majority for the GNP in April, he has the potential to enact substantial change in South Korea.

19. (S) Lee brings to the presidency his experience in the business sector, prior success in the political realm, and a reputation as someone who can get things done. Couple that with his firm belief that the U.S. is Korea's most important ally and economic partner, and there is hope that the Lee administration will bring about many positive developments in our relationship. His advisers expect that Lee's strong Christian faith and straight-talking style should make him an easy partner for President Bush. So, while he will definitely face bumps in the transition and early phase of his presidency, Lee's pragmatism and underlying belief in the importance of the alliance augurs in favor of better U.S.-ROK relations ahead.

VERSHBOW